

TRADEWINDS

California Department of Food and Agriculture
Agricultural Export Program

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ALMOND RECALL EXTENDS TO EXPORTS

The Food and Drug Administration (FDA) is advising distributors, wholesalers and consumers that a recall of raw almonds due to reports of potential contamination of *Salmonella enteritidis* that was announced by Paramount Farms of California on May 18, 2004 has been expanded.

Before eating any raw almonds having a "best before" date of August 21, 2004 or later, consumers are advised to check with the store where they purchased the product to see if the almonds came from Paramount Farms.

The recalled almonds were distributed in bulk or packaged nationwide to brokers, distributors and grocery store chains that in turn sold the almonds to consumers in a variety of package sizes with a variety of brand names. The almonds were also distributed to Mexico, Japan, Korea, Taiwan, Malaysia, France, England and Italy.

On May 18, Paramount Farms announced a limited voluntary recall of whole natural raw almonds sold under the Kirkland Signature, Trader Joe's and Sunkist brands. The almonds may, however, also be sold under other unknown brand names.

The FDA is continuing to work with the Centers for Disease Control and state and local agencies to investigate the source of this outbreak. Individuals who have purchased the recalled raw almonds should not consume them, but instead should return them to the place of purchase for a full refund.

Source: FDA News Release; Almond Board of California

NEWS

FEDERAL FUNDING TO PREVENT SPREAD OF SUDDEN OAK DEATH

On May 18, 2004, Agriculture Secretary Ann M. Veneman transferred \$15.5 million from the USDA Commodity Credit Corporation (CCC) to the Animal and Plant Health Inspection Service to help halt the spread of *Phytophthora ramorum*, or sudden oak death (SOD), to non-infested areas of the United States.

"These funds will enhance our efforts to control sudden oak death," said Veneman. "This disease already has killed large numbers of oak and tanoak trees in the coastal counties of California."

APHIS will launch a national survey to determine if SOD is causing disease symptoms on hosts and associated hosts in other parts of the U.S. This survey results from the confirmation of this disease in March on several varieties of camellia plants in Los Angeles and San Diego counties.

APHIS officials will apply the funding to nursery inspection, sampling and testing and SOD education and outreach. More than 100 nurseries in 13 states received infected plants from one nursery in southern California.

To help address the evolving disease situation in California, APHIS will provide \$6.9 million of this emergency funding to the state for quarantine activities and identification of infected nurseries. This funding also will be used to enforce APHIS' current federal order to prevent the further spread of the disease to other nurseries in the country. The remaining \$8.6 million will be used for surveys, other quarantine and regulatory enforcement, public outreach and laboratory diagnostics and testing.

SOD was first seen in Mill Valley, California in 1995 and is known now to exist in 13 northern California counties and in Curry County, Oregon. In February 2002, APHIS quarantined nurseries in those counties and began regulating the interstate movement of *P. ramorum* hosts and associated articles. APHIS officials issued an emergency order in April 2004 restricting interstate movement of all California nursery stock.

Source: USDA Press Release

PROGRESS IN U.S.-MEXICO AGRICULTURAL TRADE DISCUSSIONS

Officials from the USDA, U.S. Trade Representative's Office, and the Food and Drug Administration announced on May 24 that American and Mexican representatives had reached consensus on a number of bilateral trade issues during discussions held under the Consultative Committee on Agriculture (CCA).

The officials noted the progress that was made in U.S. - Mexico agricultural trade, including sanitary and phytosanitary issues. For example, Mexican officials moved to lift barriers to U.S. beef and poultry following outbreaks of BSE and avian influenza in America. Despite the progress, both sides acknowledged the need to quickly resolve remaining trade issues, agreeing to work immediately to resolve issues for U.S. exports of stone fruit, cherries, tomatoes, apples, citrus and wheat.

Established in April 2002 by Agriculture Secretary Ann M. Veneman, U.S. Trade Representative Robert B. Zoellick, and their Mexican counterparts, the CCA is designed to bring officials together within a regular forum to address bilateral trade concerns, prevent disruptions in trade and resolve problems before they develop into larger, formal disputes.

The value of California's agricultural exports to Mexico in 2002 was \$293 million, with dairy, table grapes, and processed tomatoes as the highest ranking commodities.

Sources: USDA Press Release

MEXICAN BSE BAN REVISIONS

Mexico continues to modify its BSE ban, most recently to allow imports of tripe from cattle less than 30 months of age. The Mexican government has also agreed to certain certification procedures for rendering plants that supply the pet food industry.

In addition, Mexico's Secretariat of Agriculture (SAGARPA), has established import requirements for live sheep and is expected to establish requirements soon for sheep meat.

In 2002, California exports of beef and beef products were valued at approximately \$8 million.

Source: USDA GAIN Report MX4036



California Department of Food and Agriculture

Secretary, A. G. Kawamura
Undersecretary, Chuck Ahlem

Agricultural Export Program

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RECENT FAS/USDA REPORTS

The following reports of interest were released during the month of May. Reports are available online at www.fas.usda.gov

EU-25: "Labeling/Presentation of Fresh Fruits and Vegetables"

Indonesia: "Snack Foods"

Hong Kong: "Market Opens to U.S. Poultry"

COPEs WEBINARS IN JUNE

The Certified Organic Product Export Strategy program, or COPEs, is offering several free webinars in the month of June on various export-related topics.

On Thursday, June 1, the subject will be International Organic Certification and Regulations; Tuesday, June 8 will feature training on Online Export Banking; and the Thursday, June 10 webinar will address Online Export Documentation.

All sessions last half an hour and are scheduled to begin at 11 a.m. Those that wish to participate will need Internet access and a separate telephone line. To register, go to www.copes-ca.org/webinars.php.

COPEs is the result of a competitive grant from the California Department of Food and Agriculture (CDFA) awarded to the California Certified Organic Farmers (CCOF) to increase awareness and export opportunities for California's organic specialty crops.

For further information about COPEs, visit its website at www.copes-ca.org/index.php.

PHILIPPINE PET FOOD PROSPECTS

California suppliers of pet food have a unique opportunity in the Philippines, where a voluntary recall of Pedigree brand products has left a huge gap on supermarket shelves.

Sales of U.S. pet foods in the Philippines in 2003 reached \$7.2 million, twice the 1998 level.

Source: USDA GAIN Report RP4023

FOCUS ON ORGANICS AT BIOFACH

With 1,900 exhibitors and nearly 30,000 trade visitors from 67 countries, BioFach has become the world's leading international organic trade exhibition. It will be held February 24-27, 2005 in Nuremberg, Germany, with an application deadline of October 1, 2004.

California exporters located in the USA Pavilion at the show will have full access to pavilion services, which include a USDA information booth, meeting space, hospitality lounge, and business services. They may also be eligible for financial support to assist in offsetting the cost of exhibiting. First-time exhibitors unable to attend BioFach may consider the New to Market Showcase option, which allows exporters to display their products at the show and receive all product inquiries and leads.

For more information contact Sharon Cook, USDA Trade Show Office, at (202) 720-3425 or email Sharon.Cook@usda.gov.

BRANDED PROGRAM UPDATES

Beginning June 1, 2004, the Branded Program pre-qualification worksheet and application for 2004-2005 will be available online through www.wusata.org/services/branded/index.html. The application deadline for first round allocations is July 1, and the program year begins on October 1, 2004.

The Branded Program is a cost-share funding program that supports the promotion of brand name food and agricultural products in foreign markets.

EXPORT OPPORTUNITIES

- Russian importers seek suppliers of frozen fish, fish fillets, swine and bovine offal, and wine.
- Korean companies are looking for suppliers of chocolate bars and non-chocolate candy, prepared health foods, prunes and other dried fruit, soybeans, and sesame seeds.
- Vietnamese importers seek suppliers of carrot juice concentrate and aloe vera pulp.
- An importer in the United Kingdom seeks suppliers of organic soybeans, breakfast cereals, animal feed, rapeseed oil, fresh shallots and onions, pasta, peanut butter, frozen potatoes, salad dressing, barbeque sauces, maple syrup, dessert sauces, and wheat.

If you are interested in one or more of these export opportunities, please e-mail the Agricultural Export Program: aepinfo@cdfa.ca.gov.

PLAN AHEAD FOR GULFOOD 2005

The Middle East's largest food and hospitality-related exhibition will be held in Dubai, United Arab Emirates on February 20-23, 2005. This show guarantees to place California exporters' products before buyers from the hotel, retail, processing and institutional food sectors. In this highly competitive market, Gulfood provides an unparalleled venue to meet food buyers from throughout the Middle East, Asia and Africa.

The Gulf Cooperative Council (GCC) countries are almost totally dependent on food imports. Thanks to a relatively high per capita income level and a taste for novel products and quality, GCC countries boast rapidly expanding markets for many high quality food ingredients and products. Collectively, GCC countries import food and agricultural products totaling an estimated \$9 billion annually, of which \$6 billion is consumer-ready and high value food products.

A broad array of products hold strong market potential in this region. Fresh fruits, beef and poultry meats and their products, and dried fruits and nuts, especially almonds, are all in demand, as are edible oils, food ingredients, jams, rice, honey, health foods, sauces, snack foods, juices and juice concentrates, to name only a few.

California exporters with booths in the show's USA Pavilion will receive the full services of the USDA's Agricultural Trade Office, customs clearance of their products in Dubai, local storage and delivery to the pavilion, an invitation to the reception in honor of U.S. exhibitors, and access to discount hotel rates.

The deadline to register for Gulfood 2005 is November 30, 2004.

For further details, contact Tobitha Jones, USDA Trade Show Office, at (202) 690-1182 or Tobitha.Jones@usda.gov.

UPCOMING TRADE EVENTS

Supported by the California Department of Food and Agriculture

HEALTH INGREDIENTS EUROPE 2004
November 16-18, 2004, Amsterdam, Netherlands

SIRHA
November 23-25, 2004, Tel Aviv, Israel

For information regarding any of these events, please e-mail the Agricultural Export Program: aepinfo@cdfa.ca.gov



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